BEFORE

THE PUBLIC SERVICE COMMISSION OF

SOUTH CAROLINA

DOCKET NO. 2018-149-E - ORDER NO. 2018-462

JULY 26, 2018

IN RE: Joint Petition of Aiken Electric Cooperative, ORDER GRANTING Inc.; Coastal Electric Cooperative, Inc.; JOINT PETITION FOR Edisto Electric Cooperative, Inc.; Palmetto ASSIGNMENT AND Electric Cooperative, Inc.; and South **REASSIGNMENT OF** Carolina Electric & Gas Company for the **TERRITORY AND** Assignment and Reassignment of Territory **APPROVING** in Allendale, Bamberg, Barnwell, and) AGREEMENTS TO LIMIT Colleton Counties and Approval of) **CORRIDOR RIGHTS** Agreements to Limit Corridor Rights

Pursuant to The Territorial Assignment Act, S.C. Code Ann. §§ 58-27-610 through 690, this matter comes before the Public Service Commission of South Carolina ("Commission") on the Joint Petition of Aiken Electric Cooperative, Inc. ("Aiken Electric"), Coastal Electric Cooperative, Inc. ("Coastal Electric"), Edisto Electric Cooperative, Inc. ("Palmetto Electric"), and South Carolina Electric & Gas Company ("SCE&G") (collectively, the "Petitioners") for the assignment and reassignment of certain territory in Allendale, Bamberg, Barnwell, and Colleton Counties and for approval of agreements to eliminate "corridor rights" in the specified areas. As explained below, we approve the Petitioners' requests for assignment and reassignment of territory specified in the Joint Petition, included in each of the attached exhibits to the Petition, and order the elimination of corridor rights as they apply to the changing territories.

FINDINGS OF FACT:

- S.C. Code Ann. § 58-27-640 directs the Commission to make assignments of areas in accordance with public convenience and necessity considering, among other things, the location of existing lines and facilities of electric suppliers. We have considered the public convenience and necessity in our review of Petitioners' proposals and make the following findings:
- 1. Petitioners state the proposed territorial changes are the result of lengthy, good faith negotiations.
- 2. In making the assignments of territory in the manner described in the Joint Petition, Aiken Electric, Coastal Electric, Edisto Electric, Palmetto Electric, and SCE&G state that they have given careful consideration to system economy, service reliability and good utility practice, efficiency and safety, which supports the assignment and reassignment of territory as set forth in the exhibits of the Joint Petition, therefore we find that it promotes public convenience and necessity.
- 3. The assignment and reassignment of these territories will avoid duplication of utility facilities in the specified areas that these changes will occur.

CONCLUSIONS OF LAW:

1. SCE&G is a corporation organized and existing under the laws of the State of South Carolina. Further, SCE&G is, in part, an electrical utility engaged in the generation, transmission, distribution, and sale of electricity to the public for compensation. SCE&G's retail electric operations are subject to the jurisdiction of the

Commission. Additionally, SCE&G is an electric supplier as defined by the Territorial Assignment Act. S.C. Code Ann. § 58-27-610(1).

- 2. Aiken Electric, Coastal Electric, Edisto Electric, and Palmetto Electric are electric suppliers as defined by the Territorial Assignment Act. S.C. Code Ann. § 58-27-610(1).
- 3. The Commission may assign to electric suppliers areas outside the corporate limits of municipalities and that are more than 300 feet from the lines of electric suppliers. S.C. Code Ann. § 58-27-640.
- 4. Upon agreement of the affected electric suppliers, the Commission may reassign portions of previously assigned service areas. S.C. Code Ann. § 58-27-650(A).
- 5. The Commission has the authority to approve agreements between electric suppliers concerning corridor rights. The Commission shall approve those agreements if, after giving notice and an opportunity for hearing to interested parties, it finds the agreements to be fair and reasonable. S.C. Code Ann. § 58-27-620(8).
- 6. The Commission has previously exercised its statutory authority and assigned electric service territories within Allendale County, South Carolina, to Edisto Electric, Palmetto Electric, and SCE&G.
- 7. The Commission has previously exercised its statutory authority and assigned electric service territories within Bamberg County, South Carolina, to Coastal Electric, Edisto Electric, and SCE&G.

- 8. The Commission has previously exercised its statutory authority and assigned electric service territories within Barnwell County, South Carolina, to Aiken Electric, Edisto Electric, and SCE&G.
- 9. The Commission has previously exercised its statutory authority and assigned electric service territories within Colleton County, South Carolina, to Coastal Electric, Edisto Electric, and SCE&G.
- 10. The proposed assignment and re-assignment of territories among the Petitioners will not cause any customers to change their service; that is, no customers will be affected by the Joint Petition.
- 11. The approval of agreements to eliminate "corridor rights" in the specified areas are unopposed and should be approved.

IT IS THEREFORE ORDERED:

- 1. The assignment and reassignment of the territories as specified by the Joint Petition and attached Exhibits are in the public interest and approved.
- 2. In order to avoid wasteful duplication of electric distribution lines and appurtenant facilities and to better operate their distribution systems safely, any Petitioner who has territory that is reassigned to other Petitioners in this docket shall abandon their previous corridor rights and not assert a corridor right to serve a customer outside the territory currently assigned to that Petitioner by this Order.

3. This Order shall remain in full force and effect until further order of the Commission.

BY ORDER OF THE COMMISSION:

Comer H. "Randy" Randall, Chairman

ATTEST:

Jocelyn Boyd, Chief Clerk/Administrator